

Coopers  
& Lybrand

Pacific Telesis UK (4) Limited  
Annual report  
for the year ended 31 December 1991

Registered no: 2422198

# **Pacific Telesis UK (4) Limited**

## **Annual report for the year ended 31 December 1991**

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# **Pacific Telesis UK (4) Limited**

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## **Directors and advisers**

### **Directors**

T M Cleary  
F E Miller  
H W Y Sze

### **Registered Auditor**

Coopers & Lybrand  
Abacus Court  
6 Minshull Street  
Manchester  
M1 3ED

### **Secretary and registered office**

F C Secretaries Limited  
28 Lincoln's Inn Fields  
London  
WC2A 3HH

### **Solicitors**

Frere Cholmeley  
28 Lincoln's Inn Fields  
London  
WC2A 3HH

### **Bankers**

National Westminster Bank PLC  
35 King Street Branch  
(Lloyd Entwistle Office)  
Manchester  
M60 2NP

**Directors' report  
for the year ended 31 December 1991**

The directors present their report and the audited financial statements for the year ended 31 December 1991.

**Principal activity and review of business**

The results for the year are set out on page 5.

The principal activity of the company is to carry on the business of a holding company.

The company has continued to act as an intermediary, enabling its parent company to pass funds to its subsidiary.

Negotiations are currently being held for the sale of the company and/or its subsidiary.

At this time it is not possible to determine potential disposal values and in the event that the subsidiary alone is disposed of, PacTel Corporation has undertaken to underwrite any loss that may be incurred on disposal. Until that date, PacTel Corporation has undertaken to provide financial support to the subsidiary. If both the company and its subsidiary are sold, the value of the investment in the subsidiary and the recoverability of amounts due from the subsidiary, both shown in the company's financial statements, will be dependent upon the underlying economic value of the subsidiary. This in turn will be dependent upon the continuation of financial support to the subsidiary by the new owners.

**Directors**

The directors of the company at 31 December 1991, all of whom have been directors for the whole year, are listed on page 1.

**Directors' interests in shares of the company**

No directors were interested at any time during the year in any of the shares of the company, nor in the share capital of the company's subsidiary. As permitted by statutory instrument, details of shareholdings in overseas companies are not disclosed.

# Pacific Telesis UK (4) Limited

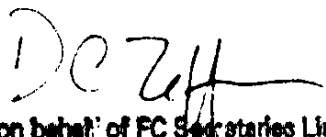
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## Auditor

In accordance with the provisions of section 386 of the Companies Act 1985, the company has elected (by elective resolution in accordance with section 379A of the Companies Act 1985) to dispense with the need to appoint or re-appoint its auditor annually.

Until 1 June 1992 the auditor, Coopers & Lybrand, practised in the name of Coopers & Lybrand Deloitte.

By order of the board

  
For and on behalf of FC Secretaries Limited  
F C Secretaries Limited  
Secretary  
26 August 1992

# **Pacific Telesis UK (4) Limited**

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## **Report of the auditor to the members of Pacific Telesis UK (4) Limited**

We have audited the financial statements on pages 5 to 9 in accordance with Auditing Standards.

The financial statements have been prepared on the basis that the company's investment in its subsidiary is represented by the underlying economic value of that subsidiary. This is dependent upon continued financial support from PacTel Corporation or, as explained in note 5, the new owners. PacTel Corporation has undertaken to provide continued financial support as long as the subsidiary remains part of the Pacific Telesis Group. In the absence of such support from the new owners, the value of the company's investment in its subsidiary and the recoverability of any amounts due from its subsidiary would need to be reviewed. Provision would then have to be made for any diminution in value which might arise without continued financial support to the subsidiary.

Subject to the continuation of financial support to the subsidiary from the new owners in the event of the sale of both the company and its subsidiary, in our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1991 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Coopers Lybrand*

**Coopers & Lybrand**

Chartered Accountants and Registered Auditor  
Manchester  
26 August 1992

# Pacific Telesis UK (4) Limited

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## Profit and loss account for the year ended 31 December 1991

	Notes	1991 £	1990 £
Other operating expenses	2	(6,240)	(3,291)
Loss on ordinary activities before taxation	4	(6,240)	(3,291)
Taxation		-	-
Loss for the financial year		<u>(6,240)</u>	<u>(3,291)</u>
Statement of deficit			
Deficit at 1 January 1991		(3,291)	-
Loss for the financial year		(6,240)	(3,291)
Deficit at 31 December 1991		<u>(9,531)</u>	<u>(3,291)</u>

# Pacific Telesis UK (4) Limited

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## Balance sheet at 31 December 1991

	Notes	1991 £	1990 £
<b>Fixed assets</b>			
Investments	5	<u>3,534,002</u>	<u>3,534,002</u>
<b>Current assets</b>			
Debtors	6	5,129,013	9,013
Cash at bank and in hand		750	826
		<u>5,129,763</u>	<u>9,839</u>
Creditors: amounts falling due within one year	7	<u>6,929,314</u>	<u>1,803,150</u>
Net current liabilities		<u>(1,799,551)</u>	<u>(1,793,311)</u>
Total assets less current liabilities		<u>1,734,451</u>	<u>1,740,691</u>
<b>Capital and reserves</b>			
Called up share capital	8	1,735,000	1,735,000
Share premium account	9	8,982	8,982
Profit and loss account		(9,531)	(3,291)
		<u>1,734,451</u>	<u>1,740,691</u>

The financial statements on pages 5 to 9 were approved by the board of directors on 26 August 1992 and were signed on its behalf by:



H W Y Sze  
Director



**Notes to the financial statements  
for the year ended 31 December 1991****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies is set out below.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention.

**Investments**

Investments in subsidiaries are stated at cost less provision for any permanent diminution in value.

**Deferred taxation**

Deferred taxation is accounted for in respect of all material timing differences to the extent that it is probable that a liability will crystallise.

**2 Other operating expenses**

	1991 £	1990 £
Administrative expenses	<u>6,240</u>	<u>3,291</u>

**3 Directors' emoluments**

No emoluments have been paid by the company to any director during the year (1990: £Nil).

**4 Loss on ordinary activities before taxation**

	1991 £	1990 £
Loss on ordinary activities before taxation is stated after charging:		
Auditor's remuneration	<u>1,000</u>	<u>1,000</u>

## 5 Fixed asset investments

	1991	1990
	£	£
Interest in subsidiary undertaking		
Shares at cost	<u>3,534,002</u>	<u>3,534,002</u>

Group accounts have not been prepared because the group is a small group as defined by the Companies Act 1985. In the opinion of the directors, the value of the company's investment in its subsidiary is not less than the amount at which it is included in the balance sheet.

## Interest in subsidiary undertaking

Name of undertaking	Country of registration	Description of shares held	Proportion of nominal value of issued shares held %
Cablevision of Bolton and Salford Limited	England and Wales	Ordinary £1	100

Negotiations are currently being held for the sale of the company and/or its subsidiary.

At this time it is not possible to determine potential disposal values and in the event that the subsidiary alone is disposed of, PacTel Corporation has undertaken to underwrite any loss that may be incurred on disposal. Until that date, PacTel Corporation has undertaken to provide financial support to the subsidiary. If both the company and its subsidiary are sold, the value of the investment in the subsidiary and the recoverability of amounts due from the subsidiary, both shown in the company's financial statements, will be dependent upon the underlying economic value of the subsidiary. This in turn will be dependent upon the continuation of financial support to the subsidiary by the new owners.

The principal business activity of the subsidiary is the provision of cable television. The aggregate amount of its capital and reserves at 31 December 1991 was £1,700,751 (1990: £3,212,087) and its loss for the financial year then ended was £1,511,336 (1990: £321,915).

## 6 Debtors

	1991	1990
	£	£
Amounts falling due within one year		
Amounts owed by subsidiary undertaking	<u>5,129,013</u>	<u>9,013</u>

# Pacific Telesis UK (4) Limited

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## 7 Creditors: amounts falling due within one year

	1991 £	1990 £
Trade creditors	1,000	1,000
Amounts owed to group undertakings	6,928,314	1,802,150
	<u>6,929,314</u>	<u>1,803,150</u>

Included within amounts owed to group undertakings are loans advanced by the immediate parent company amounting to £5,120,000. These loans, which are interest free, are subordinated to the claims of all other creditors and are repayable in part or in whole only at the option of Pacific Telesis UK (4) Limited or on a change of control of Pacific Telesis UK (4) Limited.

## 8 Called up share capital

	1991 £	1990 £
Authorised		
5,000,000 ordinary shares of £1 each	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>
Allotted, called up and fully paid		
1,735,000 (1990: 1,735,000) ordinary shares of £1 each	1,735,000	1,735,000
	<u>1,735,000</u>	<u>1,735,000</u>

## 9 Share premium account

	£
At 1 January 1991 and 31 December 1991	<u>8,982</u>

## 10 Ultimate parent company

The company is part of the PacTel Corporation Group of companies which is in turn part of the Pacific Telesis Group of companies. The directors regard Pacific Telesis Group, a company incorporated in the United States of America, as the ultimate parent company. Copies of the ultimate parent company's consolidated financial statements may be obtained from Shareowner Relations, Pacific Telesis Group, 130 Kearny Street, Suite 2926, San Francisco, CA 94108.

**Report of the auditor to the directors of  
Pacific Telesis UK (4) Limited under Section 248(3) of  
the Companies Act 1985.**

We have examined the financial statements of the company and its subsidiary for the year ended 31 December 1991. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemption conferred by Section 248 of the Companies Act 1985 from preparing group accounts.

In our opinion the company is entitled to the exemption from preparing group accounts conferred by Section 248 of the Companies Act 1985.

**Coopers & Lybrand**

Chartered Accountants and Registered Auditor  
Manchester  
26 August 1992